

on 30.9.96 were as under :

(Rs. in crores)		
Steel plants	Total outstanding dues	Dues disputed by Steel plants
Durgapur Steel Plant	102.15	101.51
Rourkella Steel Plant	77.33	71.53
Bhilai Steel Plant	151.2	135.29
Bokaro Steel Plant	46.18	57.42
IISCO	43.00	39.09
Total	419.86	404.84

(c) Steel plants are unilaterally making certain deductions from the bills raised by the coal companies for the coal supply on various grounds. In the perception of the coal companies all such disputes must be resolved at the loading end where the ownership of the coal is transferred.

(d) Regular and periodic bilateral meetings are held between SAIL and all the supplying companies/CIL to improve the realisation and settle the amount in disputes. Meetings are also held at corporate level to evolve acceptable guidelines for amicable settlement of major disputes. These are regularly followed up on a plant to plant basis.

The consensus arrived at in the previous meetings were not being adhered to by SAIL and it continued to make unilateral deductions from coal bills. As a result of this, the system of cash and carry for supplies from BCCL to the units of SAIL was introduced with effect from 15.10.96.

(e) Coal companies are inter-alia taking the following steps for improving coal supply and services :

- (i) The sampling and analysing system at the washery end is being updated and modernised;
- (ii) All washeries are being provided with adequate modern weighment system which would minimise the disputes on account of weighment of coal;
- (iii) Modernisation of existing washeries are in progress for further improving the quality of despatches of washed coal to steel plants;
- (iv) Two new washeries are being set up to increase the supplies of washed coal;
- (v) Regular meetings are held between the supplying coal companies and steel plants

to investigate the disputes regarding supply of coal to steel plants and corrective action taken wherever necessary.

Removal of Quantitative Restrictions on Imports

537. SHRI MOHAN RAWALE : Will the Minister of COMMERCE be pleased to state :

(a) whether India has been under pressure by the US and other countries to announce a time-bound programme for the removal of quantitative restrictions on all imports;

(b) whether the said removal of restrictions is likely to take away India's power to control imports; and

(c) if so, the reaction of the Government thereto?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (c). Article XI of the General Agreement on Tariffs and Trade, 1994 requires that no prohibitions or restrictions other than duties, taxes or charges, whether made effective through quotas, import or export licences or other measures shall be maintained by any member of the World Trade Organisation (WTO). However, keeping in view the difficult balance of payments situation, India has been maintaining import restrictions since 1948 under Article XII, and since 1950 under Article XVIII.

During the consultations held last with India in December, 1995, many members of the WTO Committee on Balance-of-Payments-restrictions stated that India's balance of payments position was comfortable, that India did not currently face the threat of a serious decline in foreign exchange reserves as set out in Article XVIII and that, therefore, continued recourse to import restrictions for balance-of-payments reasons by India could not be justified. Many members requested India to present a firm time-table for phasing out the restrictions.

The full consultations with India are to be resumed in January, 1997. The WTO provisions relating to the balance-of-payment-restrictions contemplate that a country must progressively relax the restrictions as conditions improve and must eliminate measures when the conditions no longer justify. It also provides that a member must announce publicly, as soon as possible, time-schedules for the elimination of restrictive import measures taken for balance-of-payments purposes. If a public announcement is not possible, justification as to the reasons therefore are required to be provided by the Member. In view of these provisions, India may be requested by the Members of the WTO Committee on Balance-of-Payments-Restrictions, at the consultations in January, 1997, to announce a time-schedule for phasing out the import restrictions.